

Message Text

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FOLLOWING REPEAT USUN 3952 ACTION SECSTATE 02 SEP 75

QUOTE

UNCLAS USUN 3952

DEPT PLEASE PASS TO SECRETARY

FOR THE SECRETARY KISSINGER FROM AMBASSADOR MOYNIHAN

E.O. 11652: N/A
TAGS: PFOR, ENG, UNGA
SUBJ: NY TIMES STORIES ON SPEECH TO 7TH SPECIAL SESSION
OF UNGA

1. FOLLOWING IS TEXT OF FRONT PAGE ARTICLE IN NEW YORK
TIMES, SEPTEMBER 2, ON SPEECH TO 7TH SPECIAL SESSION:

QTE: KISSINGER OFFERS POOR LANDS LINKS TO RICHER NATIONS

THE UNITED STATES, RESPONDING TO DEMANDS FROM DEVELOPING
COUNTRIES FOR RADICALLY NEW WAYS TO BRIDGE THE CHASM
BETWEEN THEM AND THE RICH NATIONS, OUTLINED A BROAD SET OF
SPECIFIC PROPOSALS FOR COOPERATION HERE TODAY.

THE PROPOSALS, PREPARED BY SECRETARY OF STATE KISSINGER IN
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LONG CONSULTATIONS WITHIN THE ADMINISTRATION AND WITH FOREIGN
GOVERNMENTS, WERE PUT FORWARD AT THE OPENING OF A SPECIAL
SESSION OF THE GENERAL ASSEMBLY DEVOTED TO THE PROBLEMS OF
DEVELOPMENT AND ECONOMIC COOPERATION.

WITH MR. KISSINGER IN THE MIDDLE EAST, THE ADDRESS CONTAINING THE PROPOSALS WAS READ BY THE CHIEF AMERICAN DELEGATE, DANIEL P. MOYNIHAN. HE SAID THAT THE KISSINGER MESSAGE WAS FULLY BACKED BY PRESIDENT FORD.

\$10-BILLION LOANS PROPOSED

THE PROPOSALS INCLUDE THE FOLLOWING:

THE CREATION WITHIN THE INTERNATIONAL MONETARY FUND OF A FINANCING AGENCY THAT WOULD LEND DEVELOPING COUNTRIES UP TO \$10-BILLION IN THE AMOUNT OF \$2.5BILLION OR MORE A YEAR TO SUSTAIN THEIR DEVELOPMENT PROGRAMS IN THE FACE OF FLUCTUATIONS IN DEMAND FOR THEIR EXPORTS, CHIEFLY RAW MATERIALS.

THE ESTABLISHMENT OF AN INTERNATIONAL INVESTMENT TRUST TO ATTRACT CAPITAL FOR INVESTMENT IN DEVELOPING COUNTRIES BY SAFEGUARDING AGAINST MAJOR LOSSES. THE TRUST WOULD BE MANAGED BY THE WORLD BANK'S INTERNATIONAL FIQNANCE CORPORATION.

THE CREATION OF AN INTERNATIONAL ENERGY INSTITUTE TO SPUR ENERGY DEVELOPMENT.

THE ESTABLISHMENT OF AN INTERNATIONAL INDUSTRIALIZATION INSTITUTE TO AID DEVELOPING COUNTRIES WITH RESEARCH ON INDUSTRIAL TECHNOLOGY.

THE ESTABLISHMENT OF AN INTERNATIONAL CENTER FOR THE EXCHANGE OF TECHNOLOGICAL INFORMATION.

IMPORT DEALS PROMISED

THROUGH THE ADDRESS, WHICH TOOK AN HOUR AND 45 MINUTES TO READ, THE UNITED STATES PROMISED DEVELOPING NATIONS THAT IT WOULD GRANT PREFERENTIAL IMPORT TARIFFS FOR THEIR GOODS, ESPECIALLY TROPICAL PRODUCTS.

THE MESSAGE CONCLUDED: "WE CAN SAY ONCE MORE TO THE NEW NATIONS: "WE HAVE HEARD YOUR VOICES. WE EMBRACE YOUR HOPES. WE WILL JOIN YOUR EFFORTS. WE COMMIT OURSELVES TO OUR COMMON UNCLASSIFIED

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SUCCESS."

THE FIRST REACTIONS BY DELEGATES FROM COUNTRIES SUCH AS ALGERIA, IRAN AND YUGOSLAVIA WERE FAVORABLE. THE ALGERIAN CHIEF DELEGATE, ABDELLATIF RAHAL, SAID HE HAD FOUND "MANY POSITIVE IDEAS" IN THE KISSINGER MESSAGE THAT REQUIRED THOROUGH STUDY.

A REPRESENTATIVE OF AN INDUSTRIALIZED NATION, IVOR RICHARD OF BRITAIN, TERMED THE KISSINGER MESSAGE "THE NEATIEST SPEECH MADE ON ECONOMIC DEVELOPMENT SINCE THE MARSHALL PLAN."

THE SECRETARY OF STATE, NOTING THAT THE UNITED STATES WAS THE

WORLD'S LARGEST FOOD PRODUCER AND EXPORTER, SAID THAT ITS "POLICY IS NOW ONE OF MAXIMUM PRODUCTION." HE SAID THAT THE POOREST COUNTRIES, TOO, MUST RAISE THEIR FARMING OUTPUT, AND PRESSED FOR THE EARLY ESTABLISHMENT OF A PREVIOUSLY PROPOSED INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT.

YEAR OF REVIEW POSED

MR. KISSINGER ALSO SUGGESTED THAT 1976 "BE DEDICATED AS A YEAR OF REVIEW AND REFORM OF THE ENTIRE UNITED NATIONS DEVELOPMENT SYSTEM."

WHILE MR. KISSINGER SHOWED THAT HE TOOK THE COMPLAINTS AND CRITICISMS OF DEVELOPING OR THIRD WORLD COUNTRIES SERIOUSLY, HE ALSO DID SOME TALKING BACK.

HE WARNED THIRD WORLD COUNTRIES NOT TO MAKE MULTINATIONAL CORPORATIONS "OBJECTS OF ECONOMIC WARFARE," PRAISING SUCH COMPANIES AS "POWERFUL INSTRUMENTS OF MODERNIZATION." AT THE SAME TIME HE SAID THAT THEY SHOULD OBEY LOCAL LAWS AND "REFRAIN FROM UNLAWFUL INTERVENTION IN THE DOMESTIC AFFAIRS OF HOST COUNTRIES."

REFERRING TO THE POLITICAL STRATEGY OF THE GROUP OF COUNTRIES THAT CALL THEMSELVES NON-ALIGNED, THE SECRETARY OF STATE SAID THAT IT WAS IRONIC "THAT A PHILOSOPHY OF NONALIGNMENT, DESIGNED TO ALLOW NEW NATIONS TO MAKE THEIR NATIONAL CHOICES FREE FROM THE PRESSURE OF COMPETING BLOCS, NOW HAS PRODUCED UNCLASSIFIED

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A BLOC OF ITS OWN."

AT A FOREIGN MINISTERS' MEETING IN LIMA, PERU, LAST WEEK, THE GROUP OF NONALIGNED GREW TO 82 MEMBERS. IN TODAY'S MESSAGE, MR. KISSINGER OBSERVED THAT "NATIONS WITH RADICALLY DIFFERENT ECONOMIC INTERESTS AND WITH ENTIRELY DIFFERENT POLITICAL CONCERNSS ARE COMBINED IN A KIND OF SOLIDARITY THAT OFTEN CLEARLY SACRIFICES PRACTICAL INTERESTS."

THE SECRETARY OF STATE ADDED: "IT IS IRONIC ALSO THAT THE MOST DEVASTATING BLOW TO ECONOMIC DEVELOPMENT IN THE DECADE CAME NOT FROM 'IMPERIALISTIC RAPACITY' BUT FROM AN ARBITRARY, MONOPOLISTIC PRICE INCREASE BY THE CARTEL OF OIL EXPORTS."

ALLUSION TO EMBARGO

ADVOCATING FAIRNESS IN INTERNATIONAL ECONOMICS, MR. KISSINGER SAID THAT NO COUNTRY OR GROUP OF COUNTRIES SHOULD HAVE EXCLUSIVE POWER IN AREAS BASIC TO OTHERS, LIKE OIL, TRADE AND FINANCE. HE INSISTED THAT "THE WORLD NEEDS A SYSTEM IN WHICH NO NATION, DEVELOPED OR DEVELOPING, ARBITRARILY WITHHOLDS OR INTERFERES WITH NORMAL EXPORTS OF MATERIALS."

A CLEAR ALLUSION TO THE OIL EMBARGO PROCLAIMED BY THE ARAB PRODUCING COUNTRIES IN 1973.

IN HIS REMARKS ABOUT INTERNATIONAL TRADE, MR. KISSINGER MADE A BRIEF, COOL REFERENCE TO PRICE INDEXING, THE SYSTEM SOUGHT BY THIRD WORLD COUNTRIES WHEREBY THE PRICES FOR RAW MATERIALS WOULD BE LINKED TO THE COST OF MANUFACTURED PRODUCTS THAT DEVELOPING COUNTRIES HAVE TO BUY FROM THE INDUSTRIAL NATIONS.

A STATE DEPARTMENT OFFICIAL, ASKED FOR A COMMENT ON MR. KISSINGER'S REMARK ON PRICE-INDEXING, SAID THAT WASHINGTON WAS READY TO DISCUSS THE PROPOSED MECHANISM, "BUT IT IS NOT A PROPOSAL THAT THE UNITED STATES SUPPORTS."

RATHER, MR. KISSINGER SAID IN HIS MESSAGE, THE UNITED STATES "PROPOSES TO DISCUSS NEW ARRANGEMENTS IN INDIVIDUAL COMMODITIES ON A CASE-TO-CASE BASIS." HE SAID THAT CONSUMER-PRODUCER FORUMS SHOULD BE SET UP FOR EVERY KEY COMMODITY, UNCLASSIFIED

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LIKE GRAINS OR COPPER.

DURING THE DELIVERY OF THE MESSAGE, SOME DELEGATES DRIFTED OUT FOR COFFEE, BUT THE HALL WAS AGAIN CROWDED WHEN MR. MOYNIHAN ENDED, AND HE RECEIVED LONG APPLAUSE. ENVOYS FROM SCORES OF NATIONS CROWDED AROUND HIM TO CONGRATULATE HIM.

THE SPECIAL SESSION, CONVENED AT THE REQUEST OF THIRD WORLD COUNTRIES, IS DUE TO LAST UNTIL SEPT. 12. IT IS TO BE FOLLOWED BY THE 30TH REGULAR GENERAL ASSEMBLY, BEGINNING SEPT. 16.

ALGERIA'S FOREIGN MINISTER, ABDELAZIZ BOUTEFLIKA, ACTED AS A SPOKESMAN FOR THE THIRD WORLD TODAY WHEN HE WAS ELECTED PRESIDENT OF THE SPECIAL SESSION. MR. BOUTEFLIKA IS THE OUTGOING PRESIDENT OF THE GENERAL ASSEMBLY.

IN HIS ACCEPTANCE SPEECH, MR. BOUTEFLIKA, WHO HAS BEEN SHARPLY CRITICAL OF THE UNITED STATES AND OTHER WESTERN NATIONS, SOUNDED A CONCILIATORY NOTE. HE SAID THAT THE DEVELOPING COUNTRIES' DEFENSIVE ATTITUDE "IS NOT INCOMPATIBLE WITH THE SEARCH FOR A DIALOGUE."

THE VIEWS OF THE EUROPEAN ECONOMIC COMMUNITY WERE CONVEYED TO THE SESSION BY ITALY'S FOREIGN MINISTER, MARIANO RUMOR, WHO IS NOW HOLDING THE CHAIRMANSHIP IN THE COUNCIL OF THE NINE-COUNTRY GROUP.

A PROPOSAL TO NEGOTIATE A GENERAL AGREEMENT ON TRADE BETWEEN DEVELOPED AND DEVELOPING COUNTRIES WAS PRESENTED TO THE SESSION BY BRAZIL'S EXTERNAL RELATIONS MINISTER,

ANTONIO FRANCISCO AZEREIDO DA SILVEIRA.

HE SAID SUCH AN AGREEMENT SHOULD ESTABLISH "NEW RULES OF THE GAME FOR NORTH-SOUTH TRADE." MOST OF THE DEVELOPING COUNTRIES ARE IN THE SOUTHERN HALF OF THE GLOBE.

2. FOLLOWING IS TEXT OF LEONARD SILK'S ARTICLE IN NEW YORK TIMES, SEPTEMBER 2, ON SPEECH TO 7TH SPECIAL SESSION:

QTE: CONCILIATORY KISSINGER MESSAGE AIMS TO SOFTEN RICH-UNCLASSIFIED

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POOR CONFLICT

SECRETARY OF STATE KISSINGER'S MESSAGE TODAY TO THE SEVENTH SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY REPRESENTS AN IMAGINATIVE AND INDEED HIGHLY INGENIOUS DEVELOPMENT OF UNITED STATES FOREIGN ECONOMIC POLICY.

THE TASK THAT MR. KISSINGER AND HIS AIDES FACED WAS TO PRODUCE A MAJOR POLICY STATEMENT THAT SECRETARY OF THE TREASURY WILLIAM E. SIMON AND HIS AIDES COULD ACCEPT.

SCOFFERS MAY SAY THAT THE RESULT RESEMBLES ONE OF THE DR. DOOLITTLE'S FANTASTIC ANIMALS, THE PUSH-ME-PULL-YOU OR A MEDIEVAL "CAMELEOPARD"--HALF CAMEL, HALF LEOPARD. IF REPORTS OF PAST CONFLICTS BETWEEN THE STATE DEPARTMENT AND THE TREASURY ARE TO BE CREDITED, THE APPROPRIATE ANIMALS NOW BEING MARRIED MIGHT BETTER BE COMPARED TO THE BABOON AND THE LEOPARD OR THE SNAKE AND THE MONGOOSE.

CONCORDAT ON POLICY STRESSED

MR. KISSINGER'S MESSAGE GOES OUT OF ITS WAY TO STRESS THE CONCORDAT NOW REACHED BY STATE AND TREASURY ON FOREIGN ECONOMIC POLICY. MR. KISSINGER SPECIFICALLY STATES THAT "TREASURY SECRETARY SIMON, WITH WHOM I HAVE WORKED CLOSELY ON OUR PROGRAM, WILL DISCUSS IT TOMORROW IN RELATION TO THE WORLD ECONOMY." MR. SIMON'S SPEECH WILL BE DELIVERED HERE TO THE JOINT MEETING OF THE INTERNATIONAL MONETARY FUND AND THE WORLD BANK--AGENCIES THAT WOULD PLAY A SIGNIFICANT ROLE IN THE DESIGN LAID OUT BY SECRETARY KISSINGER.

TREASURY SECRETARY SIMON, INTERVIEWED HERE, SAYS THE KISSINGER MESSAGE, WHICH WAS READY BY DANIEL P. MOYNIHAN, THE CHIEF UNITED STATES DELEGATE AT THE UNITED NATIONS, WAS "DEVELOPED JOINTLY," AND THAT HE WOULD BE STRESSING OTHER ASPECTS IN HIS SPEECH TOMORROW/

MR. SIMON DID NOT ATTEMPT TO CLOAK THE DIFFICULTIES OF

MARRYING THE TREASURY TO THE STATE DEPARTMENT POSITION.

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"THE MISSIONS OF THE STATE DEPARTMENT DIFFER FROM OUTS."

HE SAID, "AND WHAT HENRY AND I DO IS RECONCILE THE DIFFERENCES."

"WHEN DIFFERENCES CANNOT BE COMPROMISED." SAID MR. SIMON,
"WE TAKE THEM TO THE PRESIDENT TO RESOLVE." BUT HE ADDED
THAT THIS WAS NOT NECESSARY IN THIS CASE, NOR IN LAST
WINTER'S SUCCESSFUL AMERICAN EFFORT TO ESTABLISH A "SOLIDARITY
FUND" OR "SAFETY NET" OF \$25-BILLION TO AID OIL-IMPORTING
INDUSTRIAL COUNTRIES FACED WITH SERIOUS PAYMENTS PROBLEMS.

SIGNIFICANT ECONOMIC COST

THE BASIC MISSION OF THE STATE DEPARTMENT IS DIPLOMATIC--
IT SEEKS, IF POSSIBLE, TO PRESERVE THE PEACE AND TO
PROTECT AMERICAN SECURITY INTERESTS. THIS TENDS TO MAKE
THE DEPARTMENT EXTREMELY SENSITIVE TO ISSUES THAT THREATEN
THE PEACE, EVEN WHEN RESOLVING THESE ISSUES MAY INVOLVE
SIGNIFICANT ECONOMIC COST TO THE UNITED STATES. THE STATE
DEPARTMENT TENDS TO BE PRAGMATIC AND WHEN POSSIBLE
ACCOMMODATORS IN MEETING THE DEMANDS OF OTHER NATIONS OF
DIFFERENT POLITICAL AND ECONOMIC IDEOLOGIES.

THE TREASURY DEPARTMENT FOCUSES ON ECONOMIC RATHER
THAN DIPLOMATIC OBJECTIVES. IT TENDS TO BE MORE RESPONSIVE
TO DOMESTIC ECONOMIC PRESSURES WITHIN THE UNITED STATES.
INTERNATIONALLY, TREASURY POLICY HAS BEEN FOR SOME TIME
AIMED AT INCREASING TRADE LIBERALIZATION AND WORLD ECONOMIC
INTEGRATION. IT HAS SOUGHT MEANS OF INCREASING OPPORTUNITIES
FOR AMERICAN MULTINATIONAL CORPORATIONS AND BANKS TO GO
SAFELY AND DO BUSINESS WHERE THEY WILL.

COMBINING THESE TWO APPROACHES TO THE STATE DEPARTMENT
POLICY AIMED AT BEING CONCILIATORY AND ACCOMMODATIVE TO THE
DEVELOPING NATIONS WHO HAVE BEEN DEMANDING A "NEW ECONOMIC
ORDER" WITH THE TREASURY'S GOAL OF AN OPEN, NON-DISCRIMINATORY,
LIBERAL WORLD ECONOMY HAS BEEN NO EASY TASK.

IN FACT, PARTS OF THE KISSINGER MESSAGE STILL SOUND AS
THOUGH THE CAMEL HAD SUCCEEDED IN HAVING HIS DRAFT SURVIVE
WHILE THE LEOPARD GOT HIS WORDS IN LATER.

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FOR INSTANCE, IN ONE SECTION THE KISSINGER MESSAGE STATES THAT PRICE
STABILIZATION FOR THE RAW MATERIALS
AND COMMODITIES OF THE DEVELOPING COUNTRIES IS "NOT GENERALLY
A PROMISING APPROACH," AND THAT "FOR MANY COMMODITIES IT

WOULD BE DIFFICULT TO ACHIEVE WITHOUT SEVERE RESTRICTIONS
ON PRODUCTION OR EXPORTS AND EXTREMELY EXPENSIVE BUFFERED
STOCKS."

BUT LATER THE MESSAGE CALLS FOR SPECIAL TREATMENT OF THE
DEVELOPING COUNTRIES THROUGH A VARIETY OF MEANS, SUCH AS
TRADE PREFERENCES, FAVORABLE CONCESSIONS AND EXCEPTIONS
THAT REFLECT THE ECONOMIC STATUS OF THE POOR.

I.M. F. FINANCING URGED

THE MESSAGE ALSO CALLS FOR CREATING BUFFER STOCKS, "WHERE
VOLATILE DEMAND IS COMBINED WITH LIMITED ABILITY TO MAKE SHORT-
TERM INCREASES IN PRODUCTION." THIS APPLIES PARTICULARLY,
MR. KISSINGER SAID, TO FOODSTUFFS. HE PROPOSED AN INCREASE
IN TOTAL WORLD FOOD GRAINS TO AT LEAST 30 MILLION TONS OF
WHEAT AND RICE, WITH THE UNITED STATES PREPARED TO HOLD A
MAJOR SHARE.

HE ALSO CALLED FOR CONSUMER-PRODUCER "FORUMS FOR EVERY KEY
COMMODITY." HE SAID THIS WOULD BE IMPORTANT IN COPPER AND
THAT THE UNITED STATES WAS READY TO SIGN AN INTERNATIONAL
AGREEMENT ON TIN. HE SAID THAT THIS COUNTRY WOULD ALSO PARTICIPATE
ACTIVELY ON
COFFEE, COCOA AND SUGAR TO REDUCE "SWINGS IN PRICES AND
SUPPLIES."

THE SECRETARY OF STATE CALLED FOR THE INTERNATIONAL MONETARY
FUND TO INCREASE ITS FINANCING OF BUFFER STOCKS. THE PRESIDENT
OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
ROBERT S. McNAMARA, HAS ALREADY MADE CLEAR HIS DESIRE FOR
THE WORLD BANK TO MAKE LOANS TO SUPPORT BIGGER BUFFER STOCKS AIMED AT
PRICE OR INCOME STABILIZATION.

HOWEVER, THE APPARENT CONFLICT, BETWEEN THE FREE-TRADE
AND THE SPECIAL-PREFERENCE APPROACHES TO LIFE IS RESOLVED
BY THE FOLLOWING FORMULA: AS THE DEVELOPING COUNTRIES
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PROGRESS, MR. KISSINGER SAID, "TO A HIGHER LEVEL OF
DEVELOPMENT, THEY MUST GRADUALLY ACCEPT THE SAME OBLIGATIONS
OF RECIPROCITY AND STABLE ARRANGEMENTS THAT OTHER COUNTRIES
UNDERTAKE."

LIBERAL TRADE POLICY IS ALSO UPHELD WITHIN THE CONTEXT
OF HELPING THE POOR COUNTRIES THROUGH "GENERALIZED" TARIFF
PREFERENCES FOR THEIR PRODUCTS.

NEW AID MECHANISM

THE GENERAL PHILOSOPHY OF THE KISSINGER MESSAGE IS TO AIM
AT STABILIZING INCOMES OF THE POOR RATHER THAN THE PRICES OF

THEIR COMMODITIES.

THE MESSAGE REPRESENTS A SHIFT IN QUNITED STATES POLICY FROM BILATERAL TOWARD MUTLILATERAL AID. THE NEW "TRUST FUND" TO BE ESTABLISHED BY THE I.M.F.'S SELLING SOME OF ITS GOLD IS BROUGHT FORTH BY MR. KISSINGER AS A SIGNIFICANT NEW AID MECHANISM FOR THE POOR.

ALTHOUGH THAT APPROACH STILL SEEMS TO HAVE MANY PROBLEMS AHEAD OF IT, GIVEN THE DIFFICULTY OF SELLING HUGE AMOUNTS OF GOLD TO THE OPEN MARKET WITHOUT DRIVING DOWN THE PRICE ON THE OPEN MARKET, MR. KISSINGER HAS NEVERTHELESS DISCLOSED--- AS SECRETARY OF THE TREASURY SIMON PUTS IT-- A "LARGER CONCEPT" FOR THE NEW I.M.F. TRUST FUND THAN HAD HITER- TO BEEN REVEALED.

UNTIL NOW, THE TRUST FUND HAD BEEN CONCEIVED OF CHIEFLY IN THE CONTEXT OF ITS IMPACT UPON GOLD. IT IS QUITE CONQ- CEIVABLE--ALTHOUGH BY NO MEANS SURE--THAT THE TRUST FUND WILL EVENTUALLY RECEIVE THE VAST PROPORTION OF THE I.M.F.'S PRESENT GOLD HOLDINGS, WHICH, VALUED AT CURRENT FREE- MARKET PRICES, EXCEED \$20-BILLION.

THE MULTILATERAL APPROACH TAKEN BY MR. KISSINGER WOULD BE REINFORCE WITH A COVEY OF NEW INTERNATIONAL AGENCIES-- INCLUDING THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, THE INTERNATIONAL INDUSTRIALIZATION INSTITUTE, THE INTERNATIONAL CENTER FOR THE EXCHANGE OF UNCLASSIFIED

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TECHNOLOGICAL INFORMATION, THE INTERNATIONAL ENERGY INSTITUTE AND POSSIBLY OTHERS. IN SOME RESPECTS THE SPEECH READS LIKE A PROFESSORIAL OR BUREAUCRATIC NIGHTMARE.

CONGRESS IS GOINGTO HAVE TO BE PERSUADED TO ENDORSE THIS NEW APPROACH SPEQLLED OUT BY MR. KISSINGER AND PUT UP THE MONEY TO HELP FUND IT. CONGRESS HAS BEEN LOATH TO BACK LARGE-SCALE MULTILATERAL EFFORTS, ALTHOUGH IT IS UNCLEAR WHETHER WHAT MR. KISSINGER IS PROPOSING WOULD INVOLVE SUBSTANTIAL BUDGETARY APPROPRIATIONS.

HE REALIZES THAT CONGRESS IS OPPOSED TO SIGNIFICANT APPRO- PRIATIONS FOR BILATERAL FOREIGN AID, AND INDEED MAKES THAT A BASIS FOR HIS RECOMMENDED SHIFT FROM AID TOWARD TRADE TO HELP THE POOR COUNTRIES.

EVEN SO, SHARP ATTACKS ON THE UNITED STATES BY THIRD- AND FOURTH-WORLD COUNTRIES WILL ONLY DEEPEN CONGRESSIONAL ANTIPATHY FOR AMERICAN SUPPORT FOR INTERNATIONAL VENTURES.

BUT IF CONGRESS CAN BE PERSUADED TO GO ALONG, UNITED STATES FOREIGN ECONOMIC POLICY IS NOW AIMED AT BLENDING

LIBERAL TRADE WITH REALIST ADJUSTMENTS TO SOFTEN THE
CONFLICT BETWEEN RICH AND POOR COUNTRIES. THE BASIC THRUST OF
THE KISSINGER MESSAGE WAS CERTAINLY CONCILIATORY. UNQUOTE.
MOYNIHAN

UNQUOTE. ROBINSON

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